

REPORT OF THE COMMITTEE ON ZONING AND HOUSING

Voting Members:

Kymberly Marcos Pine, Chair; Carol Fukunaga, Vice-Chair;
Ikaika Anderson, Michael Formby, Ron Menor, Heidi Tsuneyoshi

Committee Meeting Held
March 28, 2019

Honorable Ann H. Kobayashi
Interim Chair, City Council
City and County of Honolulu

Madam Chair:

Your Committee on Zoning and Housing, to which was referred Resolution 19-61 entitled:

"RESOLUTION AUTHORIZING EXEMPTIONS FROM CERTAIN REQUIREMENTS RELATING TO ILILANI AFFORDABLE AND MARKET RATE CONDOMINIUM PROJECT LOCATED AT 615 KEAWE STREET AND 690 HALEKAUWILA STREET, HONOLULU, HAWAII, TAX MAP KEYS: (1) 2-1-051:011 AND 012,"

transmitted by Miscellaneous Communication 84 (2019) from the State of Hawaii, Department of Business, Economic Development & Tourism, Hawaii Housing Finance and Development Corporation ("HHFDC"), dated February 19, 2019, reports as follows:

The purpose of Resolution 19-61 is to authorize, pursuant to Section 201-H38 of the Hawaii Revised Statutes ("HRS"), exemptions or deferrals from certain City application fees and infrastructure or public works fees and charges relating to the Ililani affordable and market rate condominium project (the "Project").

The HHFDC processed the 201H application, and transmitted the requested exemptions to the Council by Miscellaneous Communication 84 (2019), dated February 19, 2019.

CITY COUNCIL

CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

ADOPTED ON

APR 17 2019

COMMITTEE REPORT NO. **99**

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The Project is estimated to cost approximately \$149 million and is located within the Kakaako Community Development District, which is under the planning and zoning jurisdiction of the Hawaii Community Development Authority ("HCDA"). The Project site consists of a 33,736 square foot site located at 615 Keawe Street and 690 Halekauwila Street, which is zoned under the HCDA's Mauka Area Rules. The proposed Project includes a 42-story, 367-foot high residential tower, and a separate eight-story parking structure, to be completed in March of 2021. The ground floor of the residential tower includes 6,297 square feet of commercial space, a lobby, and a 3,367 square foot recreation room. The 41 residential floors include 328 for-sale one and two bedroom units. 165 units will be affordable units and 163 units will be market rate units. The affordable units are subject to HHFDC's 10-year buy-back and shared appreciation program. The parking structure includes 395 managed parking stalls, bicycle parking, loading areas, a roof top recreation area, and commercial space.

Resolution 19-61 authorizes exemptions from plan review fees, building permit fees, wastewater system facility charges, and water system facility charges.

At your Committee's meeting on March 28, 2019, the Acting DPP Director testified that although the DPP did not process the Project's 201H application, the DPP is generally supportive of the development of more affordable housing in the community.

The Applicant provided a brief presentation of the Project. The Applicant testified that the Project will be privately financed except for the original construction loan. Approximately 10 percent of the total units will be affordable to households earning 80 percent and below of the area median income ("AMI"). The parking count is 1.23 per unit, and the Applicant plans to institute and fund a car-share program, potentially using electric vehicles, to reduce the need for multiple parking stalls per unit. The unit sizes are approximately 8 percent smaller than most market units, saving on overall costs.

CITY COUNCIL
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COMMITTEE REPORT NO. 99

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Your Committee received no oral or written public testimony on the Resolution.

In the discussion of the requested exemptions, your Committee's members agreed that the Project would be an important step towards meeting Honolulu's affordable housing goals.

Your Committee finds that the housing benefits to be provided by the Project justify the exemptions authorized by this Resolution. Accordingly, your Committee acts favorably on this Resolution.

Your Committee on Zoning and Housing is in accord with the intent and purpose of Resolution 19-61 and recommends its adoption. (Ayes: Pine, Anderson, Fukunaga, Tsuneyoshi - 4; Ayes with reservations: Menor - 1; Noes: None; Excused: Formby - 1.)

Respectfully submitted,


Committee Chair

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COMMITTEE REPORT NO. 99